

Message Text

SECRET

PAGE 01 BONN 01690 01 OF 02 311811Z

50

ACTION EUR-25

INFO OCT-01 ISO-00 EURE-00 NEA-11 EB-11 PM-07 NSC-10

SPC-03 SAM-01 SS-20 RSC-01 L-03 FEA-02 CIAE-00

DODE-00 INR-10 NSAE-00 PA-04 USIA-15 PRS-01 INT-08

COME-00 OMB-01 TRSE-00 IO-14 AF-10 AEC-11 AECE-00

DRC-01 OIC-04 /174 W

----- 022943

P R 311756Z JAN 74

FM AMEMBASSY BONN

TO SECSTATE WASHDC PRIORITY 0095

INFO AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION OECD PARIS

S E C R E T SECTION 01 OF 02 BONN 01690

STATE ALSO FOR T/IEP

E.O. 11652: GDS

TAGS: ENRG, EEC, GW

SUBJECT: ENERGY - EC PROPOSALS ON COOPERATION

AGREEMENT WITH OIL PRODUCERS

REF: STATE 19514

1. SUMMARY: EMBOFFS DISCUSSED REFTEL GUIDANCE WITH
SENIOR FONOFF ECONOMIC AND POLITICAL OFFICIALS.

WHILE ECONOMIC OFFICIAL ARGUED AGAINSTTIMING AND

SECRET

SECRET

PAGE 02 BONN 01690 01 OF 02 311811Z

ADVISABILITY OF OUR DEMARCHE, BOTH MADE SAME ESSENTIAL

POINT THAT WE SHOULD HAVE RATHER LIMITED EXPECTATIONS FOR RESULTS OF SUCH A BRIEF CONFERENCE. END SUMMARY

2. AS INSTRUCTED PER REFTEL EMBASSY ECONOMIC COUNSELOR CONTACTED FORNOFF DEPUTY ASSISTANT SECRETARY LAUTENSCHLAGER AND CONVEYED US VIEWS CONCERNING REPORTED EC PROPOSAL ON COOPERATION AGREEMENT WITH OIL PRODUCERS. EMBOFFICER STRESSED POINTS MADE IN PARAS 2D, E, AND G. LAUTENSCHLAGER'S REACTION WAS ONE OF SURPRISE AND CHAGRIN. HE WAS SURPRISED THAT WE WOULD MAKE SUCH A PREMATURE DEMARCHE ON A COMMISSION PROPOSAL WHICH HAD NOT YET PASSED THROUGH THE TORTUOUS AND CUMBERSOME EC DECISION-MAKING MACHINERY. HE SAID THAT NO EARLY DECISION ON THIS BY THE EC COUNCIL IS LIKELY AND ADDED RATHER CAUSTICALLY "THIS DEMARCHE WILL NOT EASE THE SITUATION FOR US IN BRUSSELS." HE SAID THAT IT MAY PLAY INTO THE HANDS OF THE FRENCH, WHO COULD BRAND IT AS A US ATTEMPT TO INTERVENE IN THE DELIBERATIVE PROCESS AND DECISION-MAKING OF THE COMMUNITY.

3. EMBOFFS ALSO MADE THE POINTS IN REFTELS TO FONOFF ASSISTANT SECRETARY FOR POLITICAL AFFAIRS LAHN AND MIDEAST DEPT DIRECTOR REDIES. INCALM FASHION, LAHN MADE THE SAME ESSENTIAL POINT AS LAUTENSCHLAGER -- DON'T UNDULY BUILD UP EXPECTATIONS FOR ENERGY CONFERENCE RESULTS; THE MOST THAT CAN BE EXPECTED IS TO DEFINE PROBLEM AND CHOOSE PROPER FORA FOR FURTHER DISCUSSIONS. UNLIKE LAUTENSCHLAGER, LAHN DID NOT INDICATE IRRITATION OR CONCERN AT OUR DEMARCHE, SAYING HE ASSUMED IT WOULD BE MADE IN OTHER EC CAPITALS AS WELL. LAHN NOTED HOPE THAT EC COUNCIL EFFORT TO COORDINATE EXISTING NATIONAL VIEWS ON WASHINGTON CONFERENCE WILL NOT PRODUCE SIMPLY LEAST COMMON DENOMINATOR POSITION. HE TOLD US THAT UNDERSTANDING WOULD BE SOUGHT WITH US BEFORE MAJOR EC INITIATIVES TAKEN AND ADDED HIS FIRM BELIEF THAT FRENCH WOULD ATTEND WASHINGTON CONFERENCE.

4. LAUTENSCHLAGER TOOK THE OCCASION TO MAKE SOME GENERAL OBSERVATIONS ON THE PROBLEMS CONFRONTING THE
SECRET

SECRET

PAGE 03 BONN 01690 01 OF 02 311811Z

COM MUNITY AND THE UNITED STATES IN THIS PRE-CONFERENCE PERIOD. HE SAID THAT THERE IS NO GAIN SAYING THE FACT THAT THERE ARE CERTAIN CONTRADICTIONS BETWEEN A GLOBAL APPROACH TO THE ENERGY PROBLEM, AS REPRESENTED BY WASHINGTON'S INITIATIVES, AND THE REQUIREMENT "TO MEET BILATERAL NECESSITIES AND TO EXPLORE REGIONAL POSSIBILITIES." IT IS HOPED, NEVERTHELESS, THAT THE WASHINGTON CONFERENCE WILL SUCCEED IN RECONCILING

THESE CONTRADICTIONS. REFERRING TO ALGERIAN MINISTER
ABDESSELAM'S WARNINGS AGAINST THE WASHINGTON CONFERENCE
LEADING TO A CONFRONTATION BETWEEN CONSUMERS AND
PRODUCERS, LAUTENSCHLAGER SAID THAT CONFERENCE
PARTICIPANTS MUST BEND ALL EFFORTS TO AVOID THE RISK
OF A CONFRONTATION, WHICH COULD BE MUCH MORE DESTRUCTIVE
OF EUROPE'S INTERESTS THAN THOSE OF THE UNITED STATES,
"IF THINGS WENT WRONG". HE ADDED "OUR INTERESTS ARE
NOT IDENTICAL WITH YOURS", SINCE EUROPE RELIES UP TO
70 PER CENT ON MIDDLE EAST OIL AND THE RISK OF
CONFRONTATION IS MORE DANGEROUS FOR EUROPE THAN IT IS

SECRET

NNN

SECRET

PAGE 01 BONN 01690 02 OF 02 311811Z

50

ACTION EUR-25

INFO OCT-01 ISO-00 NEA-11 EURE-00 EB-11 PM-07 NSC-10

SPC-03 SAM-01 SS-20 RSC-01 L-03 FEA-02 CIAE-00

DODE-00 INR-10 NSAE-00 PA-04 USIA-15 PRS-01 INT-08

COME-00 OMB-01 TRSE-00 IO-14 AF-10 AEC-11 AECE-00

DRC-01 OIC-04 /174 W

----- 022961

P R 311756Z JAN 74

FM AMEMBASSY BONN

TO SECSTATE WASHDC PRIORITY 0096

INFO AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION OECD PARIS

S E C R E T SECTION 02 OF 02 BONN 01690

FOR THE US. IN THIS REGARD, HE SAID, THE "FRENCH ARGUMENTS ARE NOT WITHOUT WEIGHT." HOWEVER, THE FRG WILL ADOPT A CONSTRUCTIVE APPROACH AT THE CONFERENCE IN THE HOPE OF BRIDGING THE DIFFERENCES.

5. LAUTENSCHLAGER FURTHER SAID THAT AN EC POSITION WILL ONLY EMERGE AFTER THE FEB 4-5 COUNCIL MEETING AND HE IMPLIED THAT THE FRG, IN ITS CHAIRMANSHIP CAPACITY, IS WORKING HARD TOWARD A CONSTRUCTIVE EC POSTURE. HE REFERRED TO A LONG AND SECRET

SECRET

PAGE 02 BONN 01690 02 OF 02 311811Z

DIFFICULT DISCUSSION THE NIGHT BEFORE WITH THE DCM OF THE FRENCH EMBASSY IN BONN. IN RESPONSE TO EMBOFFICER'S QUESTION REGARDING THE FRG'S INDEPENDENT NATIONAL POSITION AT THE CONFERENCE, LAUTENSCHLAGER SAID THAT THE FRG WILL HAVE ONE, BUT HE FELT THAT INDIVIDUAL EC MEMBER COUNTRY POSITIONS "SHOULD NOT BE TOO FAR APART FROM THE COMMUNITY POSITION, SINCE IT WOULD NOT BE HELPFUL TO STRAIN THE INTRA-COMMUNITY RELATIONS FURTHER."

6. REDIES, WHO WILL ATTEND WASHINGTON CONFERENCE, POINTED OUT THAT EC/ARAB COOPERATION BEING DISCUSSED IN POLITICAL CONSULTATIONS WOULD NOT IN ANY CASE COME TO FRUITION BEFORE FEB 11 ; HE ADDED THAT SUCH COOPERATION WOULD BE WITH ALL 19 ARAB STATES RATHER THAN JUST OIL PRODUCING COUNTRIES.

7. COMMENT: LAUTENSCHLAGER'S REACTION WAS AN OUTCRY OF A HARD-PRESSED AND HARASSED GERMAN OFFICIAL WHO IS ATTEMPTING TO STEER A DIFFICULT COURSE DICTATED PARTLY BY THE FRG'S PRESENT ROLE AS EC CHAIRMAN AND ITS SENSE OF RESPONSIBILITY TOWARD THE COMMUNITY AND PARTLY BY GERMAN NATIONAL INTERESTS. IN THE LATTER REGARD, WE SHOULD NOT FAIL TO TAKE NOTE OF A CERTAIN DRIFTIN THE FRG'S POSITION, WHICH MAY BE DETERMINED BY A CHANGING PERCEPTION OF HOW THE FRG'S NATIONAL INTERESTS MIGHT BE BEST SERVED IN THE PRESENT CONTEXT OF SWIFTLY MOVING EVENTS. END COMMENT
HILLENBRAND

SECRET

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, IMPORTS, AGREEMENTS, FOREIGN MINISTERS MEETINGS, PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 31 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BONN01690
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t1974013/aaaaacos.tel
Line Count: 217
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: SECRET
Previous Handling Restrictions: n/a
Reference: STATE 19514
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 01 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 APR 2002 by kelleyw0>; APPROVED <30 MAY 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ENERGY - EC PROPOSALS ON COOPERATION AGREEMENT WITH OIL PRODUCERS
TAGS: ENRG, GE, EEC
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005